

BEFORE THE IDAHO BOARD OF TAX APPEALS

IN THE MATTER OF THE APPEAL OF JAMES A.)	APPEAL NO. 06-A-2520
RAFTERY, JR. from the decision of the Board of)	FINAL DECISION
Equalization of Kootenai County for tax year 2006.)	AND ORDER

RESIDENTIAL PROPERTY APPEAL

THIS MATTER came on for hearing January 17, 2007, in Coeur d'Alene, Idaho, before Hearing Officer Steven Wallace. Board Members Lyle R. Cobbs and David E. Kinghorn participated in this decision. Appellant James A. Raftery appeared for himself. Chief Deputy Assessor Richard Houser, Residential Appraisal Manager Darin Krier and Appraiser Lon Middleton appeared for Respondent Kootenai County. This appeal is taken from a decision of the Kootenai County Board of Equalization denying the protest of the valuation for taxing purposes of property described as Parcel No. C61650020190.

The issue on appeal is the market value of residential property.

The decision of the Kootenai County Board of Equalization is modified.

FINDINGS OF FACT

The assessed land value is \$58,520, and the improvements' valuation is \$75,090, totaling \$133,610. Appellant requests the land value be reduced to \$39,000, and the improvements' value be reduced to \$68,360, totaling \$107,360. At hearing, Appellant amended the value claim to \$105,000.

The subject property is a 1,248 square foot double-wide manufactured home built in 1998. Together with a detached garage, the improvements are located on a 53 by 112 foot lot located in a mobile home park, north of Haycraft in Kootenai County.

Mr. Raftery testified to the increase in subject's assessed value from \$62,521 in 2003 to \$133,610 in 2006. In addition, it was reported the subject residence can be replaced for \$65,000 today and Appellant noted the purchase price was \$44,000 in 1998.

Taxpayer compared the assessments of lots in a mobile home subdivision located about one half mile from subject, and found assessments to be \$37,000 in 2006.

Mr. Raftery submitted information on four sales, including one 2006 sale of a 3-bedroom manufactured home for \$89,000. In July 2005 a 1969, 800 square foot manufactured home with a 360 square foot addition, 3 bedrooms, 1.5 baths and an attached garage sold for \$87,000. This property was located in subject's subdivision. Another sale in the subdivision took place in 2004 and included a 1,620 square foot 1985 double-wide manufactured home, detached garage on a 53 by 103 foot lot for \$85,000. A 2003 sale, again in subject's subdivision, included a double-wide 1977 manufactured home with storage, fence, patio and an attached 2-car carport on .13 acres for \$80,000. Appellant maintained there has not been a sale in his subdivision in excess of \$90,000. The County comparable sales were located in other areas outside subject's subdivision, which Appellant claimed were more desirable locations.

Taxpayer's exhibit included a copy of an annual homeowner's insurance billing effective July, 2007 which described coverage of \$82,100 for the subject manufactured home and \$16,200 for other structures.

Appellant's exhibit also included a copy of a listing package for subject prepared by GMAC in July 2006 estimating a market value for subject of \$107,360. Windermere Real Estate estimated a market listing between \$115,000 to \$120,000 for subject in December 2006. Included with the Windermere estimate were four 2006 sales in Post Falls Idaho for double-wide homes built between 1995 and 2000 and lots. The sales ranged from \$117,000 to \$128,500. Four listings were also included which ranged from \$74,000 to \$99,900.

In closing Appellant estimated the assessed value of subject is 10% to 20% over-valued and maintained that the subject park's surrounding commercial influence is not as desirable as

some other locations.

The Assessor described subject's location as a manufactured home zoned area with commercial development around it. The area within the park was described as secluded from the commercial area influence.

The most recent revaluation of the area was completed in 2004. Ratio studies indicated positive value adjustments were necessary to maintain current market value as required by statute. A positive 90% trend was applied to subject land value based on an analysis of 15, 2005 sales of manufactured homes which sold with the underlying land.

Respondent's exhibit included Multiple Listing Service statistics indicating the average increase in sale price between 2004 and 2005 for mobile homes located on rented lots and those located on acreage was 39.4%. A specific average increase for manufactured homes like subject, pit set and declared as non-revocable real property, was not provided.

The Assessor stated that historically it could be proven that manufactured homes appreciate in value. Mobile homes do depreciate, but appreciation in the market continues to show increases.

Respondent's exhibit also included an Improved Property Comparable sheet, with information on subject and four sales, including one resale. One sale was located across the street from subject. The time adjusted sale price per square foot was \$24.62 for the 1969 double-wide. The sale price range per square foot was \$24.62 to \$68.23 with subject assessed at \$60.36 per square foot. The time adjustment to sale prices was at 2% per month.

CONCLUSIONS OF LAW

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence to support a determination of fair market value. This Board, giving full opportunity for all arguments

and having considered all testimony and documentary evidence submitted by the parties in support of their respective positions, hereby enters the following.

The issue in this appeal is the market value of a manufactured home and lot located in a subdivision with other manufactured homes.

Taxpayer submitted several tailored documents to support the value reduction claim. The County provided more general manufactured home data, such as ratios to support the increase in sale prices for manufactured homes countywide.

Appellant maintained subject's area is not as desirable as all areas, and the established ceiling price in his subdivision was \$90,000.

The Board agrees sales of like properties within subject's subdivision are the most reliable comparisons to subject. Both parties referenced the 2005 sale of a home located across the street from subject. This home was built in 1969 according to the record and includes an add-on addition. We find consideration should be given to the difference in construction date when compared to subject's later date of 1998.

The Board also finds the market and cost estimates submitted by Appellant, together with the homeowners insurance policy coverage, are persuasive evidence of value. We are also more convinced that Appellant's subject-specific information is the most reliable.

We therefore modify the decision of the Kootenai County Board of Equalization, finding due support for a reduction in subject's total assessed value to \$115,000.

FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the Kootenai County Board of Equalization concerning the subject parcel be, and the same hereby is, modified to reflect a decrease in the assessed value to \$115,000.

IT IS FURTHER ORDERED that any taxes which have been paid in excess of those determined to have been due be refunded or applied against other *ad valorem* taxes due from Appellant.

DATED this 27th day of April, 2007.